

Colorado Limited Gaming Control Commission

Minutes of Public Session

April 15, 2021

PUBLIC SESSION

I. Call to Order

The April 15, 2021 meeting of the Colorado Limited Gaming Control Commission was called to order by Chair Blessman at approximately 9:19 a.m. via a Cisco Webex video conference at the Division of Gaming Office at 1707 Cole Blvd., Suite 300, Lakewood, Colorado, 80401. Commissioners Nathan, Coleman, and Davis were present via Cisco Webex and a quorum existed. Commissioner Carlson was excused for good cause.

Officials & Administrators in Attendance

Kristen Blessman, Chair, via Cisco Webex

Richard Nathan, Vice-Chair via Cisco Webex

Shawn Coleman, Commissioner via Cisco Webex

Justin Davis, Commissioner via Cisco Webex

Cory Amend, Senior Director, Specialized Business Group via Cisco Webex

Dan Hartman, Director via Cisco Webex

Torrey Samson, Assistant Attorney General via Cisco Webex

Bradford Jones, Senior Assistant Attorney General via Cisco Webex

Suzanne Karrer, Communications Manager via Cisco Webex

John Madruga, Agent in Charge via Cisco Webex

Brett Buckingham, Supervisory Investigator via Cisco Webex

Breanne Nolan, Assistant to the Director, Secretary to the Commission via Cisco Webex

EXECUTIVE SESSION

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a) (III), 44-30-521(1)(a)(b), 44-30-526(1)(d), and 44-30-1507 of the Colorado Revised Statutes to review confidential background licensing reports from the Division of Gaming that were scheduled for consideration in the Public Session as well as a report from the Colorado Bureau of Investigation.

PUBLIC SESSION

II. Approval of Licensing Actions

The Commission voted unanimously to approve the renewal of the Manufacturer/Distributor Licenses for WMCK Acquisition Corp. d/b/a Century Casino Cripple Creek, Sasquatch Casino, LLC d/b/a Sasquatch Casino, and The Lodge Casino, LLC d/b/a The Lodge Casino at Black Hawk. The licenses will expire two years from the dates of current expiration.

The Commission voted unanimously to approve the renewal of the Retail Licenses for WMCK Acquisition Corp. d/b/a Century Casino Cripple Creek, Century Casinos Cripple Creek, Inc. d/b/a Century Casinos, CC Tollgate LLC d/b/a Century Casinos, Ed and Shirley's, Inc. d/b/a The Wild Card Saloon, Sasquatch Casino, LLC d/b/a Sasquatch Casino, The Lodge Casino, LLC d/b/a The Lodge Casino at Black Hawk, and The Gilpin Casino, LLC d/b/a The Gilpin Hotel Casino. The licenses will expire two years from the dates of current expiration.

The Commission voted unanimously to approve the Temporary Associated Equipment Supplier License for XpertX, Inc. The Temporary Associated Equipment Supplier License was issued, pending the final results of the Division's background investigation.

The Commission voted unanimously to approve the Temporary Operator and Manufacturer/Distributor Licenses for Gaming Arts, LLC. The Temporary Operator and Temporary Manufacturer/Distributor Licenses were issued, pending the final results of the Division's background investigation.

The Commission voted unanimously to approve the renewal of the Master Licenses for WMCK Acquisition Corp. d/b/a Century Casino Cripple Creek, Century Casinos Cripple Creek, Inc. d/b/a Century Casinos, CC Tollgate LLC d/b/a Century Casino, Ed and Shirley's, Inc. d/b/a The Wild Card Saloon, Sasquatch Casino, LLC d/b/a Sasquatch Casino, The Lodge Casino, LLC d/b/a The Lodge Casino at Black Hawk, and The Gilpin Casino, LLC d/b/a The Gilpin Hotel Casino. The Master Licenses will expire two years from the current dates of expiration.

The issuance of the above seven Master Licenses does not concurrently grant approval to entities or individuals with whom these licensees have entered into, or considered entering into contracts for sports betting operations or internet sports betting operations; nor does it preclude any entities or individuals from being called forward by the Division to conduct a comprehensive background investigation regarding their suitability to operate in Colorado.

The Commission voted unanimously to approve the first Sports Betting Operator License for SBOpco, LLC d/b/a SuperBook. The Sports Betting Operator License will expire two years from its date of issuance.

The Commission voted unanimously to approve the first Internet Sports Betting Operator License for SBOpco, LLC d/b/a SuperBook. The Internet Sports Betting Operator License will expire two years from its date of issuance.

The Commission voted unanimously to approve the First Vendor Minor Licenses for VEGASWINNERS INC., USBR LLC, Triple Sharp Media LLC, Forty Two Digital Media Ltd, OTHERLEVELS INC., appalgo LTD, and DFS MEDIA LLC. These Vendor Minor Licenses will expire 2 years from the dates of issuance.

III. Opportunity for the Public to Address the Commission

The Chair extended an opportunity for the public to address the Commission. No members of the public came forward to address the Commission.

IV. Consideration of Division Limited Gaming Financial Statement for February 2021

The Commission voted unanimously to approve the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the eight months ending on February 28, 2021 and to authorize its distribution.

V. Consideration of Division Sports Betting Financial Statement for February 2021

The Commission voted unanimously to approve the Statement of Sports Betting Revenues, Taxes, and Expenditures (unaudited) for the eight months ending on February 28, 2021 and to authorize its distribution.

VI. Emergency Rulemaking Hearing Rule 3, Regulation 30-313.5 – Licensed Premises Location

The Commission voted unanimously to open the rulemaking hearing on Limited Gaming Rule 3, Emergency Regulation 30-313.5 – Licensed Premises Location.

Director Hartman was sworn in and gave a presentation on Limited Gaming Rule 3, Emergency Regulation 30-313.5 – Licensed Premises Location. Discussion was had by the Commission and Director Hartman.

The Chair extended an opportunity for the public to testify on behalf Limited Gaming Rule 3, Emergency Regulation 30-313.5 – Licensed Premises Location. No members of the public came forward to testify on behalf of the rule.

The Commission voted unanimously to close the rulemaking hearing on Limited Gaming Rule 3, Emergency Regulation 30-313.5 – Licensed Premises Location.

The Commission voted unanimously to approve the amendments to Colorado Limited Gaming Rule 3, Emergency Regulation 30-313.5 – Licensed Gaming Premises and to authorize the Chair to sign the Emergency Resolution Concerning the Amendments.

VII. Consideration of Limited Gaming Rules 8, 10, 12, 16, 21, 22, 23, 25, 26, 27 & 28

The Commission voted unanimously to open the rulemaking hearing on Limited Gaming Rules 8, 10, 12, 16, 21, 22, 23, 25, 26, 27 & 28.

Bradley Nelson, Table Games Chair, was sworn in and gave a presentation on Gaming Rules 8, 10, 12, 16, 21, 22, 23, 25, 26, 27 & 28. Discussion was had by the Commission and Mr. Nelson.

The Chair extended an opportunity for the public to testify on behalf Limited Gaming Rules 8, 10, 12, 16, 21, 22, 23, 25, 26, 27 & 28. No members of the public came forward to testify on behalf of the rules.

The Commission voted unanimously to close the rulemaking hearing on Limited Gaming Rules 8, 10, 12, 16, 21, 22, 23, 25, 26, 27 & 28.

The Commission voted unanimously to approve the amendments to Colorado Limited Gaming Rules 8, 10, 12, 16, 21, 22, 23, 25, 26, 27 & 28.

VIII. Rulemaking Hearing on Colorado Gaming Rule 14, Gaming Tax

The Commission voted unanimously to open the rulemaking hearing on Colorado Gaming Rule 14, Gaming Tax.

Paul Hogan, Chief Auditor was sworn in and gave a presentation regarding process and procedure of the Gaming Rule 14, Gaming Tax hearing.

He then submitted into the record the Statements of Gaming Impacts and Annual Reports from the Colorado Judicial Branch.

Tamra Ward, Chair of Board of Directors, History Colorado and Steve Turner, Executive Director, History Colorado Department of Revenue were sworn in and gave a presentation of behalf of History Colorado. Discussion was had by the Commission, Ms. Ward, and Mr. Turner.

Paul Hogan submitted into the record the written presentation from the State Board for Community Colleges.

The Chair extended an opportunity for the public to testify on behalf of Colorado Gaming Rule 14, Gaming Tax. No one from the public came forward to testify.

The Commission voted unanimously to close the hearing on Colorado Gaming Regulations, Rule 14 - Gaming Tax, and continue the hearing at 9:30 a.m. on Thursday, May 20, 2021, via Cisco Webex video conference.

IX. Fiscal Year 2022 Budget Requests

Matthew Packard, Chief, Colorado State Patrol gave an opening presentation regarding the fiscal year 2022 budget request on behalf of Stan Hilkey, Executive Director of the Colorado Department of Public Safety.

John Camper, Director, gave the budget request presentation for the Colorado Bureau of Investigation.

The Commission voted unanimously to approve the fiscal year 2022 budget request of the Colorado Bureau of Investigation in the amount of \$1,201,395.

Matt Packard, Chief, gave the budget request presentation for the Colorado State Patrol. Discussion was had by the Commission and Chief Packard regarding roles and responsibilities of CSP in gaming towns.

The Commission voted unanimously to approve the fiscal year 2022 budget request of the Colorado State Patrol in the amount of \$3,720,556.

Mike Morgan, Director, gave the budget request presentation for the Colorado Division of Fire Prevention and Control.

The Commission voted unanimously to approve the fiscal year 2022 budget request of the Colorado Division of Fire Prevention and Control in the amount of \$218,017.

Kristi Piazza, Budget Manager and Dustin Hoover, Budget Analyst, Specialized Business Group, Department of Revenue, gave the fiscal year 2022 limited gaming budget request.

The Commission voted unanimously to approve the fiscal year 2022 limited gaming budget request of the Colorado Division of Gaming in the amount of \$17,189,377.

Discussion was had by the Commission, Kristi Piazza, Ryan Reather (Budget Director, Executive Director's Office, Department of Revenue) and Director Hartman.

Kristi Piazza, Budget Manager and Dustin Hoover, Budget Analyst, Specialized Business Group, Department of Revenue gave the fiscal year 2022 sports betting budget request.

The Commission voted unanimously to approve the fiscal year 2022 sports betting budget request of the Colorado Division of Gaming in the amount of \$3,131,575.

VI. Consideration of Organizational Matters

1. Adoption of Public Session Minutes for April 15, 2021

The Commission approved the minutes from the April 15, 2021 public session of the Colorado Limited Gaming Control Commission.

2. Directors' Update

Cory Amend, Senior Director, Specialized Business Group, stated that he had been having conversations with Department of Revenue Executive Director, Mark Ferrandino, about starting in-person Commission meetings in the next few months. Director Hartman added that a digital meeting option would still be available with the in-person sessions.

Dan Hartman, Director, Division of Gaming, stated that revenue numbers within limited gaming and sports betting had been steadily increasing. He said he was hopeful that this increase would result in a positive distribution to beneficiaries of the Gaming Fund. He also explained that as of April 2021, the revenues generated by sports betting had replenished the monies taken from the general fund for start up in 2020. Finally, Director Hartman recognized that Senior Assistant Attorney General, Bradford Jones, would be taking over the roll as counsel for the Division of

Gaming and that Assistant Attorney General, Torrey Samson, would continue to help and add input as well.

Adjournment

The Commission voted unanimously to adjourn the April 15, 2021 meeting of the Colorado Limited Gaming Control Commission at 12:43 p.m.

Breanne Nolan, Secretary to the Colorado Limited Gaming Control Commission